

PUBLIC DISCLOSURE

November 01, 2006

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**America West Bank
35461**

**476 West Heritage Park Boulevard, Suite 100
Layton, Utah, 84041**

**Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square
San Francisco, California 94105**

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **America West Bank** prepared by the **Federal Deposit Insurance Corporation**, the institution's supervisory agency, as of **November 01, 2006**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.*

This is the institution's initial Public Evaluation of its performance under the Community Reinvestment Act. America West Bank was evaluated using the Small Bank evaluation guidelines, as defined by the Community Reinvestment Act (CRA).

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

America West Bank demonstrates a satisfactory response to the credit needs of its assessment area. The following factors are in support of the above rating.

- The lending to businesses of different sizes reflects excellent penetration among businesses that have gross annual revenues of less than or equal to one million.
- The bank's average loan-to-deposit ratio of 93% based on the eight quarters preceding this evaluation reflects an excellent response to the credit needs of its assessment areas.
- No substantive violations of the anti-discriminatory laws and regulations were identified.
- The bank offers free deposit courier service during regular business hours to its commercial and consumer customers in its entire assessment area as well as Salt Lake County .
- Of the loans sampled, an adequate volume of loans granted during 2005 and 2006 were dispersed to businesses within the assessment area. Most of the loans originated outside the bank's assessment area, were originated within a geography substantially near one of the bank's loan production offices (LPO's).
- Although the geographic distribution of business loans reflects a low dispersion among the low- and moderate-income geographies, it is nevertheless adequate when the bank's primary loan product (construction and land development) is taken into consideration. In addition, the bank's lending product is typically located in higher growth areas which may not typically include predominately low- and moderate-income census tract areas located within the bank's assessment areas.

DESCRIPTION OF INSTITUTION

America West Bank (AWB) is headquartered in Layton, Utah. This is a small independent full-service commercial banking institution established May 18, 2000. AWB's principal business strategy is to serve small and medium sized businesses within its community, while focusing on businesses of one million or less in sales revenues. The main office is located at 476 W. Heritage Park Blvd., Layton Utah. The bank operates one full-service branch office in Ogden Utah. Each office is equipped with an Automated Teller Machine (ATM). The bank has also added three additional loan production offices (LPO's) in Utah located in high growth areas where there is an increased demand for lot development and construction loans among businesses and contractors. The LPO's are located in Bountiful, Draper, and St. George, Utah. The bank is contemplating expansion of the LPO's to full-service branches.

The bank provides its customers with a full range of traditional business and personal banking products, such as, commercial loans, commercial real estate loans, Small Business Administration (SBA) loans, equipment financing, lot loans, construction loans, residential mortgages, home equity lines of credit, auto, and personal consumer loans. However, the primary focus is commercial lending for lot development and construction and small businesses. In addition, the institution also offers a variety of demand deposit and savings products. The bank makes convenient alternative delivery systems available such as Automatic Teller Machine (ATM) cards, bank by mail, telephone banking, night depository and internet banking. The hours of operation and availability of products and services are also tailored to the convenience and needs of bank customers. To date the bank has not closed any offices.

As of June 30, 2006, the Consolidated Report of Condition (Call Report) reflects \$157,189 in total assets with total loans of \$135,399. AWB is primarily a commercial lender (lot development and construction, and small business). These loans represent approximately 94% percent of the bank's lending portfolio. Table 1 below, reflects the composition of the institution's loan portfolio as of June 30, 2006.

Table 1- America West Bank / Loan Portfolio		
Type of Loan	Amount (000's)	Percentage
Construction and Land Development, and other land loans	99,304	73%
Revolving open-end loans secured by 1-4 family residential dwellings, extended under lines of credit	1,748	1%
Closed-end loans secured by 1-4 family residential properties		
a) Secured by 1 st Liens	a) 2,940	a) 2%
b) Secured by Junior Liens	b) 623	b) negligible
Secured by non farm residential properties	940	1%
Commercial/Industrial loans	28,815	21%
Credit Cards	139	negligible
Other Revolving Credit Plans	177	negligible
Consumer loans (single PMT/Installment / Student Loans)	1,585	1%
All Other loans	8	negligible
GROSS LOANS	136,279	
TOTAL NET LOANS: (Less Unearned Income of \$880)	135,399	100%

Source: Report of Income and Condition as of March 31, 2002 / Dollar amounts in thousands (000's)

DESCRIPTION OF THE OGDEN-CLEARFIELD MSA (36260)

AWB has designated its assessment area as the Ogden-Clearfield - Metropolitan Statistical Area (MSA) 36260. This includes Davis, Morgan, and Weber counties and consists of 93 contiguous census tracts (4 low-income, 17 moderate-income, 50 middle-income, and 22 upper-income). The distribution of census tracts by income level is shown in Table 2 below.

Table 2 – Census Tract Income Levels Ogden-Clearfield MSA (36260)		
Census Tract Income Level	Number of Census Tracts	Percent of Census Tracts
Low-Income	4	4
Moderate-Income	17	18
Middle-Income	50	54
Upper-Income	22	24
Total	93	100.0

Source: 2000 U.S. Census Data

All of the low-income tracts, and the majority of the moderate-income tracts, are located in Weber County (inner-city Ogden) where there is almost no opportunity for land development and construction lending for residential projects due to the unavailability of any land.

According to the 2000 Census, the total population of the assessment (Ogden-Clearfield MSA) area is 442,656. Based on 2005 estimates from the U.S. Census Bureau, the population within the assessment (Ogden-Clearfield MSA) area has grown to approximately 486,542 residents. The HUD adjusted MSA Median Family Income is \$61,400.

Table 3 below, depicts the breakdown of the number of small businesses by census tract income level within the Bank's assessment area.

Table 3 – Small Businesses by Geography Ogden-Clearfield MSA (36260)	
Census Tract Type	% of Total
Low-Income	2%
Moderate-Income	22%
Middle-Income	48%
Upper-Income	28%
Totals	100.0%

CRA Wiz Data Source: 2006 Business Geodemographic Data

The Ogden-Clearfield MSA - Metropolitan Statistical Area (MSA) 36260 is composed of three (3) adjacent counties with distinct economic characteristics.

Davis County - Davis County is often characterized as a bedroom community. Although 42.3% of the population works in another county, Davis County's largest employer is Hill Air Force Base. The base is a dominant feature of the economy of Davis County, whereas earnings for civilians are almost double the state average. The base accounts for almost 12% of Davis County's economy, and about 2.6% of the entire Utah State's economy. The Hill Air Force Base provides employment for nearly 23,000 military and civilian personnel. Other large employers include Davis School District, Lagoon Amusement Park, and Lifetime Products.

Morgan County - Morgan City is the only incorporated city in Morgan County. Currently Morgan City is restricted to businesses that provide immediate services to local residents (i.e. one grocery store, bank, drug store, two wood companies, hardware stores, car dealerships; several eateries, convenience stores, and service stations. In addition the city owns and operates its individual power, water and sewer systems. Most of Morgan's citizens work outside the county, but agriculture continues to be of major significance to Morgan City, since at one time, it had thirteen mink ranches and several dairy farms located within its boundaries.

Weber County - Weber County has realized a sizeable population explosion since World War II when the military built the Defense Depot Ogden in northern Weber County, and Hill Air Force Base and the Naval Supply Depot in nearby Davis County. DDO and HAFB continue to provide many of the jobs for Weber County residents. As a result, significant increased demands have been placed on the cargo transportation sector. Consequently, a great number of special cargo trains move daily through Ogden's Union Station. Presently train tracks are being built from down town Salt Lake City to Ogden for future residents commuting to and from Salt Lake. In addition a number of aerospace industries have also established offices and other facilities in Weber County. A number of manufacturing plants produce powerful, miniature jet engines for aircraft and missiles, and jet way loading bridges for airports worldwide. Weber State University (with some 13,000 students), the U.S. Forest Service regional headquarters, the IRS Service Center, and the McKay-Dee and St. Benedict's hospitals are among the county's major employers since the mid 1990s

The Ogden-Clearfield MSA includes Utah's sixth largest city. Ogden City, which is situated at the base of the Wasatch Mountains and located 35 miles north of Salt Lake City. Ogden City is the most populous city in Weber County, with an estimated 78,519 residents in 2005. Ogden City is urban in nature with a HUD updated median family income of \$50,898, while the unemployment rate is 3.7 %. Ogden City's inner city declined to the extent that it qualified for Utah's only Enterprise Community designation in 1994. Although the official "Enterprise" designation ended in December 2004, Ogden City received a two-year extension to allow it to fully expend grant funding and continue several on-going projects through 2006. There are four, contiguous "Enterprise Target Neighborhoods"; East Central, Jefferson, West Ogden and the Central Business District. They total nine square miles of the City and include approximately 20,000 residents and several businesses and community based organizations.

Presently, Ogden City continues to suffer from many of the problems that plague other urban areas including poverty and crime. The city has an overall 15% poverty rate that reaches 23% in its inner city.

It has a growing minority population of which approximately 48% have incomes below the poverty level. Many of the new residents have moved to the area to take advantage of more affordable housing. Forty-three percent of the city's schools qualify for Title One benefits. The major industries in Ogden City are services, construction and government. Obtaining and retaining long-term employment at wages capable of sustaining family households is a challenge for low- and moderate-income (LMI) families in Ogden City. Economic and small business development efforts are working to attract businesses to the central Ogden area that will provide residents with employment opportunities close to home and attract middle and upper income households to inner-city neighborhoods.

The city's Community Development division administers the city's HUD funds. The Enterprise Community designation has resulted in several programs including Children's Discovery Learning Centers, a Youth Impact program that provides after school and summer activities for low-income students, Neighborhood Career Centers that provide free career counseling for low-income adults, and Group Work camps that provide paint and repair for the homes of low-income senior citizens and disabled homeowners. The city also has a Small Business Administration (SBA) One Stop Capital Shop to support small business owners. There are no Community Housing Development Organizations (CHDO), and the one tax credit project that has been completed was sponsored by the city's housing authority which provided 100 units of housing. The local Community Action Agency is developing a project for disabled persons.

As part of this evaluation, information was reviewed from community organizations that support affordable housing, social services, economic development, and small business development. Through this review, it was determined that the most underserved needs in Ogden City are: housing for low and middle- income families and individuals, transitional housing for individuals at risk, the need to increase homeownership in neighborhoods where the number of rental units is now outpacing owner occupancy, and the need to rehabilitate existing housing stock in the city's older neighborhoods. Other needs include employment opportunities for low and moderate-income households and economic development efforts to attract businesses providing sustainable employment. Credit needs include financing for affordable housing, small business start-up and expansion, and multi-family rental housing. Financial literacy counseling for both business owners and individual customers is also needed. The following table provides demographic information for the entire assessment area.

TABLE 4 - DEMOGRAPHIC INFORMATION FOR ASSESSMENT AREA						
Ogden-Clearfield MSA (36260) / Activity Year 2006						
Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upper % of #	N/A * % of #
Geographies (Census Tracts)	93	4	18	54	24	0
Population by Geography *	442,656	2	17	56	25	0
Owner-Occupied Housing by Geography*	106,246	1	14	59	26	0
Business by Geography – 2006	112,189	5	13	26	17	39
Family Distribution by Income Level	111,216	2	16	57	25	0
Distribution of Low and Moderate Income Families throughout AA Geographies*	40,331	4	28	55	13	0
HUD Adjusted Median Family Income for 2006 Households (HH) Below Poverty Level	61,400 7%	Median Housing Value Unemployment Rate		140,439 3%		

Source: 2000 US Census; 2006 HUD updated Median Family Income

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Scope of Evaluation

The evaluation of the bank's lending performance is based upon a sample review of loans that originated during the years 2005 and year to date June 30, 2006. The sample incorporated land development/construction and commercial/industrial (including real-estate secured) loans. Since lending increased substantially in 2006 and the primary product is the land development/construction loans, this was the primary focus for the CRA evaluation. Mortgage and other consumer lending is not extensive and very few HMDA-reportable loans were originated. Consequently, they were not included in the CRA review during this assessment period. The commercial/business loans that were reviewed and targeted for CRA Examination included 134 loans totaling \$53,685,000, for years 2005 and YTD 2006. Of these, 81 loans, or 53 percent totaling \$ 26,275,000 were within the Ogden-Clearfield Metropolitan Statistical Area (MSA) 36260. Since most of the land development and construction loans were to business organizations, these loans were combined with the bank's standard small business/commercial loan products for analysis in the tables on the following pages.

Inasmuch as the bank's primary focus is commercial/business lending, the analysis of the bank's lending by geography is given much less weight than the analysis of the bank's lending patterns by business size (revenue).

A review of regulatory records, as well as the bank's CRA Public File, did not reveal any complaints relating to the bank's CRA performance since the bank's inception on May 22, 2000.

Lending in the Assessment Area

Given the bank's primary lending product (construction and land development) which equals 75 percent of overall loans, the bank's lending levels reflect an adequate response in meeting the credit needs within the bank's assessment area. As shown in Table 5, a majority of the bank's loans sampled were within the bank's assessment area.

The bank's commitment to small business lending within its assessment area, has been generally consistent with its business strategy and lending capabilities, as evidenced by the number of loans originated in the assessment area, and supported by the distribution patterns within various geographies to businesses of different revenue sizes.

In late 2005 and early 2006, the bank added two additional loan production offices in two high growth areas within the state of Utah where the construction for single family residences was in high demand. Much of the bank's loan demand for the land development and construction loans is coming from these areas.

TABLE 5 – DISTRIBUTION OF LOANS INSIDE AND OUTSIDE THE ASSESSMENT AREAS WITHIN THE STATE OF UTAH										
Year / Loan Type:	Number of Loans					Dollar Volume of Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total \$(000)
	#	%	#	%		\$(000)	%	\$(000)	%	
2005: Commercial/Business & Construction/Land Development	28	76%	9	24%	37	8,526	69%	3,815	31%	12,341
2006: Commercial/Business & Construction/Land Development	53	49%	55	51%	108	17,749	43%	23,595	57%	41,344
Totals	81	56%	64	44%	145	26,275	49%	27,410	51%	53,685

Bank Records

Geographic Distribution of Lending

The bank's geographic distribution of sampled business/commercial and land development/construction loans reflects only fair penetration by geography throughout the assessment area, particularly in the low- and moderate-income areas. However, most of these geographies (inner-city Ogden) are not located in the areas of the bank's assessment area where construction and land development is taking place. With the bank's emphasis on this type of lending (75 percent of the portfolio as of October 31, 2006), it is reasonable to conclude that this penetration would not be substantial. Tables 6 and 7 illustrate the dispersion of the examination loan sample by geography for years 2005 and year-to-date 2006. For comparison, the aggregate distribution of loans to small businesses by geography is also shown.

Table 6 - Distribution of Commercial/Business & Construction and Land Development Loans by Geography Ogden-Clearfield - MSA 36260 - YEAR 2005							
Census Tract Income Level	Total Percentage of Small Businesses By Tract	Aggregate Lending Income Data by Number and Dollar Percentage *		Bank's Performance			
				Number of Loans Sampled		Dollar Volume (000) Of Loans Sampled	
		#	\$\$	#	%	\$	%
Low	5%	6	13%	1	4%	100	1%
Moderate	13%	16	22%	1	4%	37	negligible
Middle	26%	48	43%	19	68%	6,028	71%
Upper	17%	26	20%	7	24%	2,361	28%
N/A	39%	4	2%	N/A	N/A	N/A	N/A
Total	100%	100	100%	28	100%	8,526	100%

Sources: 2005 CRA MSA Aggregate Report Small Business Lending Data; ***Loan Sample and Bank Records.

Table 7 - Distribution of Commercial/Business & Construction and Land Development Loans By Geography Ogden-Clearfield - MSA 36260 - YEAR 2006							
Census Tract Income Level	Total Percentage of Small Businesses By Tract	Aggregate Lending Income Data by Number and Dollar Percentage *		Bank's Performance			
				Number of Loans Sampled		Dollar Volume (000) Of Loans Sampled	
		#	\$\$	#	%	\$	%
Low	5%	6	13%	2	4%	390	2%
Moderate	13%	16	22%	2	4%	627	4%
Middle	26%	48	43%	35	66%	11,549	65%
Upper	17%	26	20%	14	26%	5,183	29%
N/A	39%	4	2%	N/A	N/A	N/A	N/A
Total	100%	100	100%	53	100%	17,749	100%

Sources: 2005 CRA MSA Aggregate Report Small Business Lending Data; ***Loan Sample and Bank Records.

Lending to Businesses of Different Sizes

The distribution of commercial/land development & construction loans reflects an excellent dispersion among businesses of varying revenue sizes. The bank's performance substantially exceeds the aggregate performance of small business loans, particularly by number of loans. Given the bank's focus and strategy, this dispersion is considered excellent. Tables 8 and 9 below, depict the degree of lending to small businesses of different revenue sizes for years 2005 and year to date 2006 within the assessment area.

Table 8 - Distribution of Commercial/Business & Construction and Land Development Loans By Business Revenue Ogden-Clearfield - MSA 36260 - YEAR 2005							
Gross Annual Revenues (000s)	Number of Businesses By Size %	2005 Aggregate Lending % of #/\$	AWB-2005*** Performance for Small Business by # / %		AWB-2005*** Performance for Small Business by \$ / %		
			#	%	\$	%	
< \$100	55	N/A	7	25%	572	7%	
\$100 to \$250			9	32%	3,024	36%	
\$250 to \$500			2	7%	286	3%	
\$500 to \$750	3		0	0%	0	0%	
\$750 to \$1,000	1		4%	37	1%		
Subtotal (< \$1,000	58		46 /41	19	68%	3,919	46%
> \$1,000	5	54/ 59	9	32%	4,607	54%	
Revenues Not Reported	37	N/A	N/A	N/A	N/A	N/A	
Total	100	100/100	28	100%	8,526	100%	

Sources: 2005 CRA MSA Aggregate Report Small Business Lending Data; ***Loan Sample and Bank Records.

**Table 9 - Distribution of Commercial/Business & Construction and Land Development
Loans By Business Revenue
Ogden-Clearfield - MSA 36260 - YEAR 2006**

Gross Annual Revenues (000s)	Number of Businesses By Size %	2005 Aggregate Lending % of $\frac{\#}{\$}$	AWB-2006*** Performance for Small Business by $\frac{\#}{\%}$		AWB-2006*** Performance for Small Business by $\frac{\$}{\%}$	
			#	%	\$	%
< \$100	55	N/A	14	26%	5,049	28%
\$100 to \$250			14	26%	5,638	32%
\$250 to \$500			4	8%	729	4%
\$500 to \$750	3		4	8%	1,335	8%
\$750 to \$1,000			4	8%	1,531	9%
<i>Subtotal</i> ($\leq \$1,000$)	58	46 /41	40	76%	14,282	81%
> \$1,000	5	54/ 59	13	24%	3,467	19%
Revenues Not Reported	37	N/A	N/A	N/A	N/A	N/A
<i>Total</i>	100	100/100	53	100%	17,749	100%

Sources: 2005 CRA MSA Aggregate Report Small Business Lending Data; ***Loan Sample and Bank Records

Although not shown, the bank's lending patterns of strictly small business loans (excluding the bank's primary commercial product of land development and construction loans) also shows a volume that substantially exceeds the aggregate levels. The aforementioned tables also confirm the bank's focus on lending to businesses with smaller annual revenues.

Loan-To-Deposit Ratio

The bank's loan-to-deposit (LTD) ratio is considered reasonable and reflects excellent responsiveness to the assessment area credit needs given its business focus, asset size, and financial condition. Between September 2002, and June 30, 2006, the institution's average loan-to-deposit ratio was 93%, as calculated from the quarterly Reports of Income and Condition. The bank's average loan-to-deposit ratio is considered excellent.

Table 10 lists the institution's quarterly Loan-to-Deposit Ratio since the institution's previous CRA Exam in June 2002.

Table 10 -Quarterly Net Loan-to Deposit Ratios	
Call Report Date	Ratio (%)
06/30/2006	97
03/31/2006	96
12/31/2005	93
09/30/2005	89
06/30/2005	91
03/31/2005	96
12/31/2004	90
09/30/2004	86
06/31/2004	92
03/31/2004	87
12/31/2003	93
09/30/2003	99
06/30/2003	90
03/31/2003	93
12/31/2002	99
09/30/2002	100
Average Loan-to-Deposit Ratio over Sixteen Quarters	93%

Source: Consolidated Reports of Condition & Income

Response to Complaints

AWB has not received any CRA-related complaints since the previous CRA Examination of June 10, 2002. Therefore, this assessment factor is not considered in the overall rating.

Compliance with Anti-discrimination Laws and Regulations

No substantive violations of anti-discriminatory regulations were identified during the examination.